

ATTACH A

April 27, 2010

The Honorable Nancy Floreen, President  
Montgomery County Council  
100 Maryland Avenue  
Rockville, Maryland 20850

Dear Councilmember Floreen:

The Rockville Mayor and Council support the County Executive's FY 2011 recommended level of municipal tax duplication funding (5% reduction from the FY 2010 amount), and the Management and Fiscal Policy (MFP) Committee's 3-0 vote in favor of this recommendation. We urge you and the members of the County Council to vote in support of the MFP committee's recommendation during the full Council budget deliberations in May 2010.

The City is experiencing its most difficult budget year in over a decade. To balance our FY 2011 budget, Rockville is facing cost cutting actions that affect every City department, including a reduction of 16.3 positions, elimination of all employee annual salary adjustments, and reduction of other operating expenses. Several important capital projects have been eliminated or deferred to future years. Thirty-three projects are under-funded or unfunded by approximately \$40 million from FY 2011 through FY 2015.

The State of Maryland's reduction of Highway User Revenue and Police Aid has eliminated 62% percent of municipal state aid. Rockville and other Maryland municipalities have little ability to replace these lost revenues. As the effects of the recession continue and our revenues decrease, the Rockville community continues to grow and generate increased demand for services. The County's tax duplication payments assist Rockville with providing services that otherwise the County would need to provide. It is critical that the County's FY 2011 tax duplication payment is reduced no more than the County Executive's recommendation.

The Rockville Mayor and Council are counting on you and the County Council to support the City of Rockville in this very important way.

Sincerely,

cc: Montgomery County Council  
Scott Ullery, City Manager  
Gavin Cohen, Chief Financial Officer